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ELEVENTH BIENNIAL  
REPORT

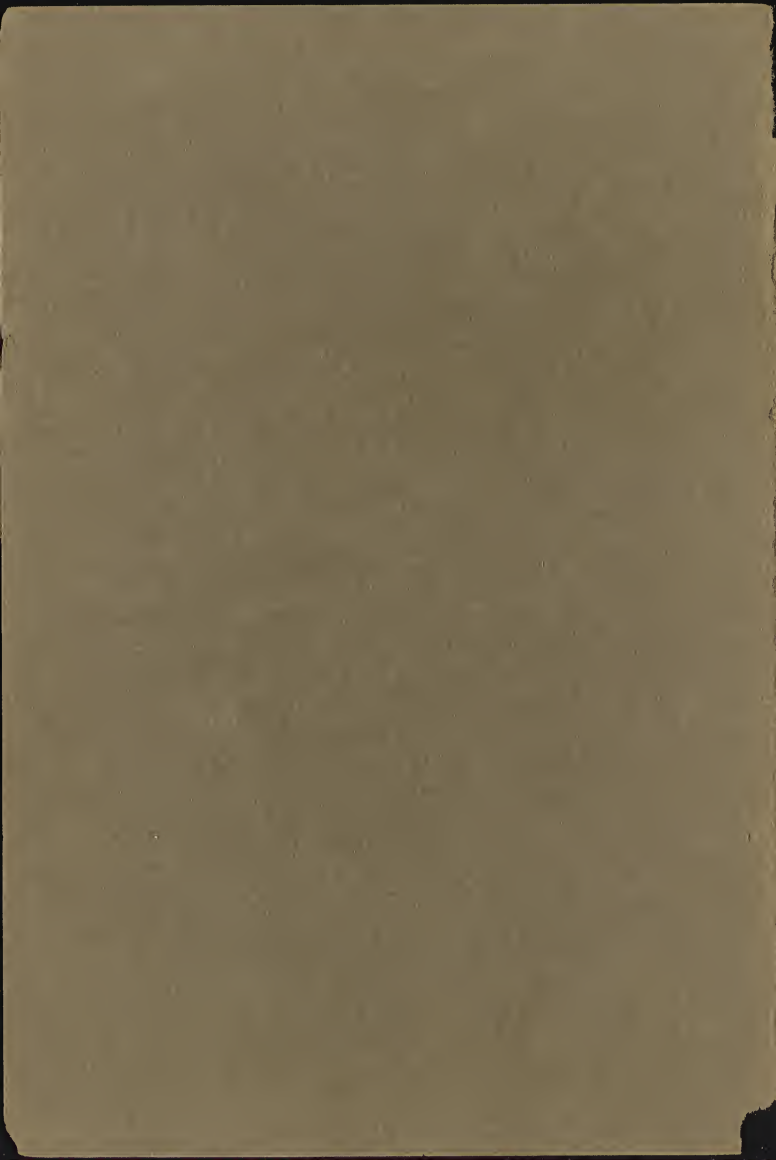
*of the*

SECRETARY OF STATE

STATE BOARD OF EXAMINERS  
STATE BOARD OF LOAN COMMISSIONERS  
STATE BOARD OF CANVASSERS

OF THE STATE OF UTAH

1917-1918



ELEVENTH BIENNIAL  
REPORT

*of the*

SECRETARY OF STATE

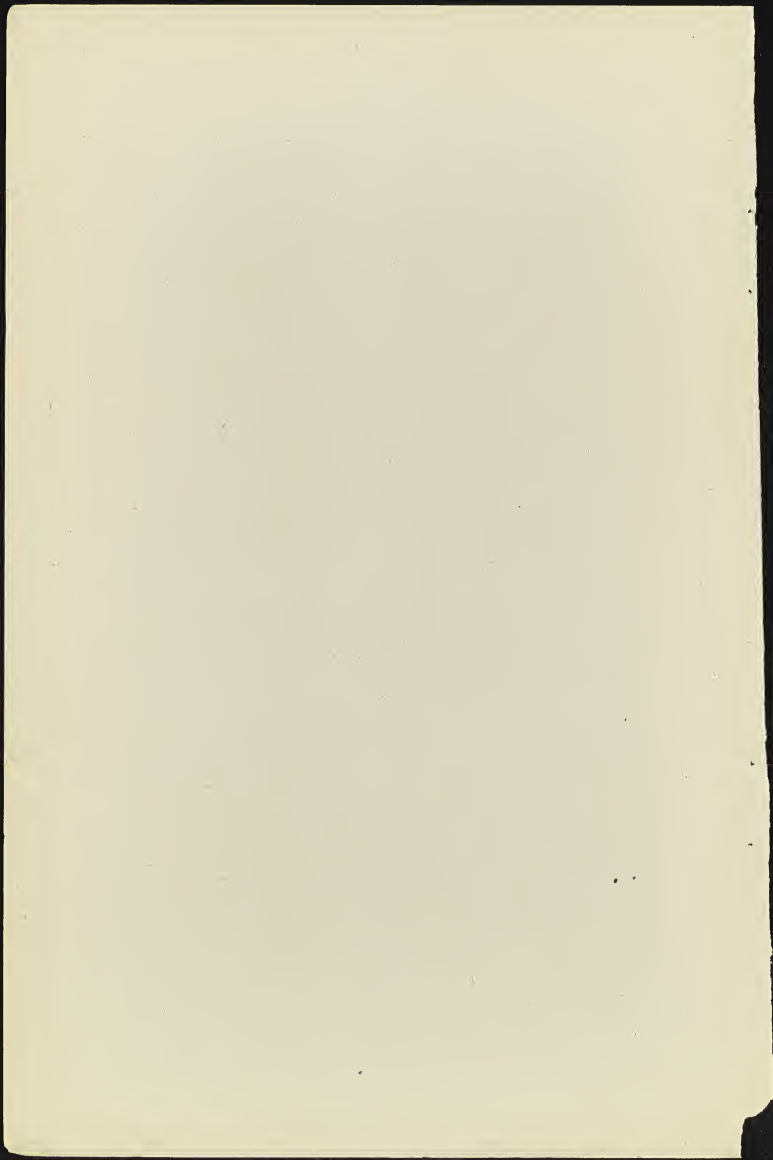
STATE BOARD OF EXAMINERS  
STATE BOARD OF LOAN COMMISSIONERS  
STATE BOARD OF CANVASSERS

OF THE STATE OF UTAH

1917-1918



PRESS OF  
THE F. W. GARDINER CO.  
SALT LAKE



SALT LAKE CITY, UTAH, January 20, 1919.

*To His Excellency, Governor Simon Bamberger.*

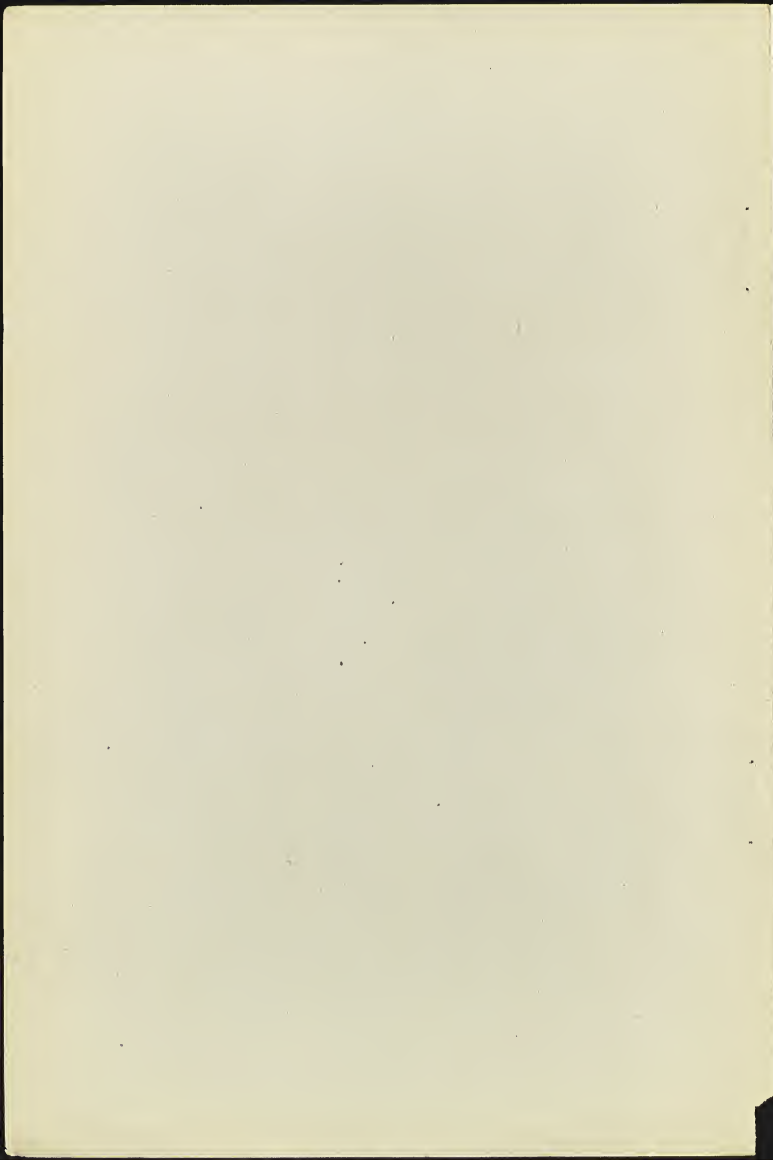
SIR: In conformity with law and custom I hand you herewith, report of the business of my office for the biennium ending November 30, 1918, together with such suggestions as to needed legislation affecting the several functions of State Administration entrusted to it as the experience of the past two years seems to require.

Being also ex-officio Secretary of the State Board of Examiners, the State Board of Loan Commissioners and the State Board of Canvassers, I include as a part hereof brief reports of the official activities of these Boards.

Very respectfully,

HARDEN BENNION,

Secretary of State.



**ELEVENTH BIENNIAL REPORT**  
of the  
**SECRETARY OF STATE OF THE STATE OF UTAH**  
**1917-18**

The last report of my predecessor closed with the end of the fiscal year November 30th, 1916, and in order that proper connection may be made with such report it is necessary that I cover the last month of his administration.

From the official fee book in my office I find there was collected in office fees for the month of December, 1916, the sum of \$46,111.15, apportioned as follows:

Corporation License Department.....	\$40,460.00
Compiled Laws .....	65.75
General Fees .....	5,502.40
Motor Vehicle Department.....	83.00

All of which was paid to the State Treasurer as required by law and evidenced by his official receipt attached to the fee book showing these collections.

The office was transferred to me on January 1st, 1917, with the utmost courtesy and consideration, and with every effort and offer of assistance on the part of Mr. Mattson and his able assistants.

During each of the past two years there has been a very material increase in the receipts and business of the office over the preceding year, as shown by the tables below, yet the expense of the department has increased in one respect only, viz.: that of Motor Vehicle Plates, and such increase results only from the increased number of plates used. In my opinion there is no necessity for increased appropriations for the coming biennium.

The following table shows the receipts from the several departments for the past four years and the total for each year:

	Corporation Tax.	Motor Vehicle Department.	General Fees.	Compiled Laws.	Totals.
1915	\$102,480.00	\$ 35,559.65	\$25,485.10	\$222.16	\$163,746.91
1916	108,406.26	93,577.00	90,600.05	165.78	292,749.08
1917	114,452.85	170,505.00	78,850.12	126.25	363,934.22
1918	110,628.00	237,065.99	55,803.55	16.00	403,519.54

Note—The receipts here shown are for the calendar year and include in each case the month of December.

During the years 1917 and 1918 there have been issued:

Charters to new Domestic Corporations.....	1,125
Certificates of Amendments to existing Domestic Corporations .....	478
Certificates of Authority to Foreign Corporations.....	75
Notaries Public commissioned.....	1,004
Trade Marks filed.....	35
Church Organizations incorporated.....	12
Collection Agency Bonds approved and filed.....	12
Commissioners of Deeds for the State of Utah in other States commissioned .....	8

That during such period the charters of 967 corporations have been revoked for the non-payment of annual corporation license tax by proclamation of the Governor, of which 105 have been reinstated under the provisions of law; and there are now 4,271 live domestic corporations in good standing and 329 foreign corporations duly authorized to transact business in the State.

Motor Vehicles have been licensed as follows:

	1917	1918
Pleasure cars .....	18,346	22,135
Commercial cars .....	3,230	5,069
Motorcycles .....	1,385	1,311
Chauffeurs .....	1,547	1,521
Dealers .....	161	179



From an examination of the reports from other States it is found that to the office of Secretary of State are assigned much the same duties and functions as are placed upon that officer in Utah, and that the fees, charges and licenses provided for in our laws are approximately an average of those charged in other States, and resulting in a very important source of revenue that must otherwise be collected by means of the general property tax.

As noted in the table above, the motor vehicle department has produced during the past year a total revenue of \$229,203.24, which amount has been deposited with the State Treasurer to the Motor Vehicle Registration Fund, pursuant to the provisions of law, and there has been charged against such fund the sum of \$13,604.70, covering the cost of license plates, clerical help, printing, etc., leaving a net balance of \$215,598.54. Under the provisions of Chapter 32, Laws of 1917, the State Board of Loan Commissioners is required to pay from this fund the interest on State Road Bonds of the 1917 issue, amounting to \$90,000 annually, and to set aside \$100,000 per annum as a redemption fund for the redemption of said bonds. From the fact that only a comparatively small portion of this bond issue has been sold, and therefore drawing interest, the Motor Vehicle Registration Fund has not been called upon for any considerable interest payments, and therefore shows a balance of \$128,036.08 in the hands of the State Treasurer. But with the probable sale of the entire issue of \$2,000,000 in the very near future, it will be necessary to take into account an annual charge of \$190,000 for interest and sinking fund against said Motor Vehicle Registration Fund in addition to the expense of the department. Based upon the business of the year 1918 there would therefore be a net balance of \$30,098.54 remaining in the fund for each year. Investment of the redemption fund, the interest from which goes into the Motor Vehicle Registration Fund, will materially, and increasingly, add to such fund, and it being fair to presume that the business of the department will increase year by year, it may readily be seen that there is provided a foundation upon which may be based additional bond issue for road construction, should the Legislature and your Excellency see fit to do so.

From the foregoing it will be observed that while there have been issued over 5,000 licenses for commercial cars, only 1,500 chauffeur's licenses have been issued, indicating that many persons who should have registered as chauffeurs have failed to do so. Information has come to me that there have been many

violations of the Motor Vehicle Law in other respects, and in my opinion the employment of not less than two special officers, acting under the direction of this department, would not only tend to the safety of the public, but would more than pay the cost of this service in the added revenue that would result from the supervision thus afforded.

During the past two years, and following a plan proposed by my predecessor, I have removed all corporation papers from the upright files in which they have been folded, and have refiled them under a vertical or flat system. In addition, I have gathered up from the various filing cases in which they have reposed the several amendments to all articles of incorporation and have attached them to the originals, thus making it possible to hand to the public in one package a complete set of any articles of incorporation and all amendments thereto, and making unnecessary a search of the entire system of indexes, as has heretofore been the case, in order to determine whether or not any particular set of articles has been amended. This readjustment has made necessary the renumbering of all these papers.

I also have well under way the installation of a card system of indexing and numbering incorporation papers that will do away with the expensive, cumbersome and unsatisfactory book indexes heretofore in use. This card system will also carry the information necessary to make out the annual license tax notices, also receipts for the payment of such tax. The plan, when completed, will result in the saving of considerable expense and in addition will make for accuracy and for the accommodation of the public.

### **NEEDED LEGISLATION.**

#### **Corporation Department.**

Your attention is respectfully called to a decision by the United States District Court for Utah in the case of the Western Pacific Railroad Co. versus David Mattson, my predecessor in office, and mentioned by him in his 1916 report as being then pending, wherein our law requiring foreign corporations to pay an entrance fee of 25 cents per \$1,000 on their capitalization, whether employed in this State or not, is unconstitutional and ordering that the filing fee of \$18,750 collected from said company, together with accrued interests and costs now amounting to approximately \$3,503.52, a total of \$22,253.52, be refunded. No doubt the Legislature will make the necessary appropriation

to pay this judgment; but the effect of the decision will be to materially reduce the State's income from this department unless some legislation can be enacted to overcome the loss resulting from such decision. I have but one suggestion to offer in the premises, viz.: that for both entrance and annual license fees foreign corporations be required to pay double the amount required of domestic corporations. The adoption of such policy would certainly be an inducement to local business concerns to incorporate under the laws of our own State rather than those of some foreign State, which frequently happens.

Some minor changes in the technical operation of the Corporation law are, in my opinion, necessary; but I shall embody same in a bill to be presented to the Legislature rather than burden this report with them.

I desire, however, to emphasize very strongly the importance of the enactment by the Legislature at its next session of a "blue sky" law. For the sake of her good name, if for no other reason, Utah cannot afford longer to allow the organization and existence under her laws, and cannot afford to give official countenance to, the many wildly speculative concerns that, during the past few years, have made use of our liberal corporation law. There can be no question as to the utility and benefit of corporations generally as a medium for legitimate business, but just as experience has proved necessary the control and supervision of banking corporations, so has it also demonstrated that unsupervised and uncontrolled corporations are frequently used as a means of deceiving and robbing the public. It is high time we joined the procession of States, requiring careful control and inspection of these organizations.

#### THE MOTOR VEHICLE LAW.

The system provided by the legislature of 1917 for computing the horsepower of motor vehicles, and thereby determining the annual license tax, while increasing the revenue from this department, has seemed to give general satisfaction. And yet some inconsistencies in the administration of this law still exist, and I feel it my duty to bring them to your attention. We divide automobiles into two classes, viz.: "pleasure cars" and "commercial cars," but without any definite specification of the conditions of use which differentiates the one from the other. Pleasure cars are licensed on the basis of their horsepower, the fee ranging from \$5.00 to \$15.00 per annum, while all commercial

cars, regardless of horsepower, weight or carrying capacity, are registered at the uniform fee of \$10.00 per annum. Inasmuch as it is almost universally true that all cars, other than trucks, are used for pleasure as well as for business purposes, there is a very natural tendency to register low powered business or commercial cars as pleasure cars at the minimum pleasure car rate of \$5.00, thus saving to the owner one-half the cost of a commercial license; while on the other hand there is also a very natural tendency on the part of owners of high-powered pleasure cars, the fee for which is \$15.00, to register them as commercial cars, thus entitling them to a \$10.00 rate.

Under the present law a dealer's license sold for \$25.00 with the privilege of securing as many extra plates as are desired for the sum of \$2.00 per set. Some dealers have taken advantage of this privilege and have supplied their representatives in several different cities with plates at a cost of \$2.00 per set. Dealers being allowed the special privilege of changing these plates from one car to another it seems to me that no matter how many agencies they may have they should be required to take out a separate and independent license for each city in which they maintain an agency. I recommend the amendment of the law to that effect.

In order to correct this condition, and so that the classification of cars may be more definite and certain, I recommend the amendment of the law so as to provide that all cars of the touring and runabout types, in fact, all cars not trucks, or carrying some sort of body for the transportation of freight or produce, be licensed on the basis of the rated horsepower as now provided for pleasure cars; and that all others be licensed on the basis of their weight or carrying capacity.

Another unsatisfactory phase of the present law is the unreasonable delay and annoyance to which citizens of outlying districts of the State are subjected in securing licenses from this office. It sometimes happens that weeks are consumed in correspondence between owners of automobiles residing in distant counties and this office before the necessary data and funds are secured to warrant the issuance of a license, and even then the plates, sent by parcel post, are frequently delayed indefinitely and sometimes lost or stolen.

To overcome this almost intolerable condition, I recommend that the Secretary be authorized to delegate an agent, in each county outside of Salt Lake County, such agent to give a satis-

factory bond for the payment and accounting of all funds received by him and to be then authorized to receive applications for licenses, to collect payment therefor, and to issue temporary license plates to be provided by this office. All applications so received, and funds so collected, should be forwarded immediately to this office, examined, corrected if necessary, and preserved on file and handled under the provisions of the present law. Permanent plates would then be shipped by express in quantities to the agent, who would distribute them to the respective purchasers and take up the temporary plates.

I shall not attempt to detail at greater length these proposed changes, but will confer with members of the Legislature on the subject and will be pleased to assist in drawing a bill to cover the above suggestions.

#### **PUBLICATION CONSTITUTIONAL AMENDMENTS.**

Under the provisions of Chapter 61, Laws of Utah, 1917, this office is required to publish in pamphlet form all Constitutional Amendments to be voted upon at any general election, and in connection therewith and parallel thereto the existing corresponding sections, also arguments for and against such amendments, as provided in said chapter. Section 1 of Article XXIII of the Constitution also requires the Secretary of State to publish for sixty days prior to all general elections any pending constitutional amendments. Such publication is to be in at least one newspaper in each county where a newspaper is published.

The cost to my office this year of the first mentioned publication was \$575.78, with an estimated total cost of \$3,600.00 to the various county clerks of the State, they being charged with the duty of distributing the pamphlet to the voters of their respective counties, a total of \$4,175.78. Publication under the constitutional provision mentioned cost \$5,611.10.

In my opinion, this duplication of expensive advertising is not only unnecessary, but is also ineffective. Newspaper publication of proposed amendments in the past has afforded no opportunity for comparison of the old with the new matter, nor any information to the voters as to the purpose sought to be accomplished; while the experience of the past year under the law requiring the publication and distribution of pamphlets is to the effect that such pamphlets fail to reach the voters.

I recommend the amendment of Section 2201, Compiled Laws of 1917, to provide for the newspaper publication of the



original sections sought to be amended, not the resolutions as a whole, and parallel thereto the proposed amendment showing the proposed change underscored or in different type, and the arguments for and against same, as provided in said section.

#### THE CORRUPT PRACTICES ACT.

The Corrupt Practices Act passed by the Legislature of 1917, the administration of which has been charged largely to this office, has been in operation for the past two years. I am convinced it is a good law, and that as we become familiar with its provisions it will seem less exacting and annoying. However, its requirements in the matter of the filing of statements by candidates, committees, etc., are quite impossible of fulfillment in some respects, and, in my opinion, should be carefully scrutinized to the end that the inconsistencies may be removed by appropriate amendment.

In this matter, as in all others affecting this department, I respectfully and cordially tender to your Excellency and the Legislature my best service.

Very respectfully,

HARDEN BENNION,  
Secretary of State.

Salt Lake City, November 30th, 1918.

## DETAILED STATEMENT OF EXPENDITURES.

Complying with the requirements of Subdivision 15 of Section 2409 of the Compiled Laws of Utah, 1907, there is appended hereto a detailed statement of the expenditures of my office for the biennium 1917-1918.

	Appropriation.	Ex- pended.	Bal. on hand to complete biennium.
For salary of Secretary of State.	\$8,000.00	\$6,000.00	\$2,000.00
For salary of Deputy.....	4,200.00	3,500.00	700.00
For clerical assistance .....	10,000.00	5,710.01	4,289.99
For contingent expenses.....	6,000.00	5,085.16	914.84
For contingent expenses in the collection of Corporation License Taxes .....	500.00	392.45	107.55
For Publication Delinquent Corporation License Tax List..	2,000.00	.....	.....

## DETAIL OF CLERICAL ASSISTANCE ACCOUNT.

Mrs. J. H. Tingey.....	\$ 47.50
H. D. Roberts.....	400.00
C. S. Williams.....	262.50
Mrs. Rose M. Button.....	320.00
Leah Farr .....	301.93
Mrs. Hattie G. Hammond.....	1,280.00
W. J. Siddoway.....	1,975.00
Glen B. Cannon.....	242.67
Mrs. Elizabeth Nebeker.....	54.00
Alex Buchanan, Jr.....	80.00
Aurelia Bennion .....	45.16
Hortense Hinckley .....	2.50
Keren Coombs .....	300.00
E. E. Lindsay.....	390.00
Esther Bennion .....	8.75

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\$5,710.01

# DETAIL OF CONTINGENT EXPENSE ACCOUNT.

Balance December 1, 1916, plus appropriation for first  
quarter, 1917 .....\$1,920.01

Expenditures for December, January, February,  
March, 1917—

Office equipment .....	\$ 9.00	
Printing .....	1,169.88	
Office supplies .....	178.50	
Telephone and telegraph.....	66.76	
Sundries .....	19.95	
Freight and express.....	6.78	
Stamps .....	346.75	
Stationery .....	25.00	
Books and records.....	1.25	
Printing laws and pamphlets.....	62.75	
		<hr/>
	\$1,886.62	\$1,886.62

Balance turned back into Treasury, March 31, 1917....\$ 33.39

Appropriation on April 1, 1917.....\$6,000.00

Office equipment .....	\$ 842.89	
Printing .....	405.81	
Office supplies .....	689.90	
Telephone and telegraph.....	287.11	
Transportation .....	180.37	
Sundries .....	346.07	
Freight and express.....	10.20	
Advertising .....	19.95	
Stamps .....	524.80	
Stationery .....	157.86	
Books and records.....	204.90	
Printing laws, pamphlets, resolutions, etc..	726.05	
		<hr/>
	\$4,394.91	\$4,394.91

Balance remaining at close of November, 1918.....\$1,605.09



STATE OF UTAH,  
COUNTY OF SALT LAKE, } ss.

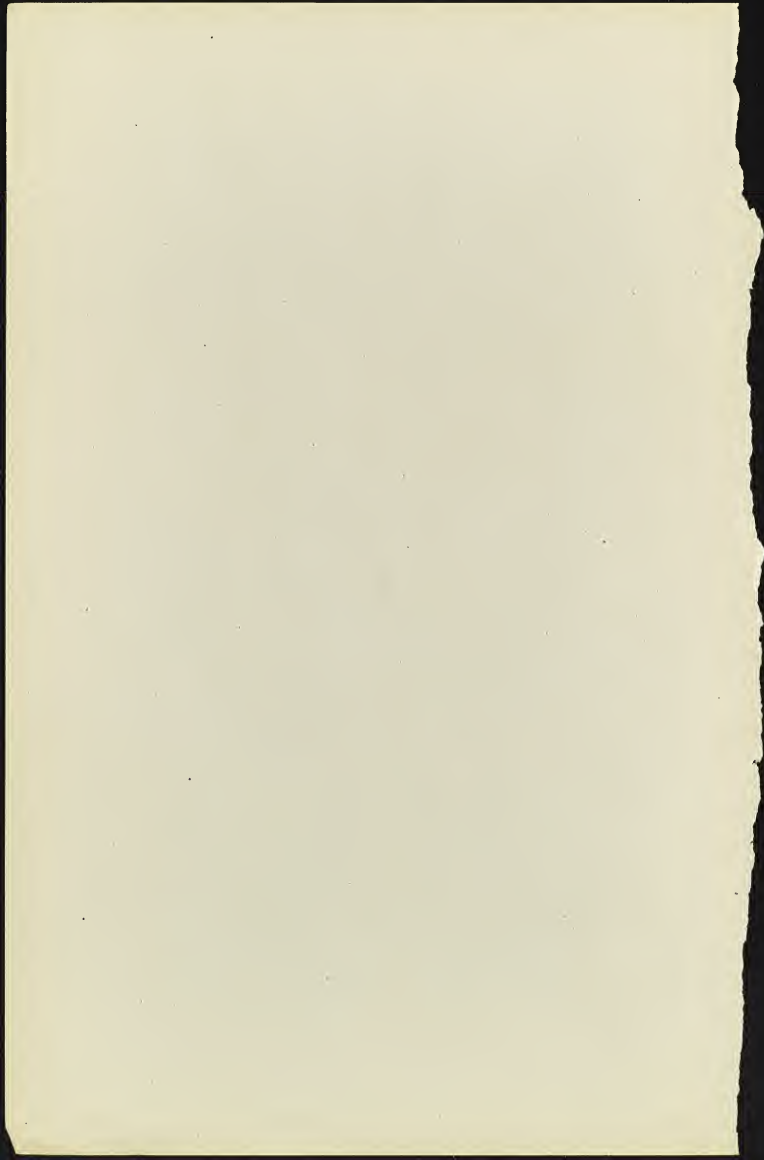
I, HARDEN BENNION, Secretary of State of the State of Utah, being first duly sworn, on oath declare and state that the above and foregoing detailed report of the manner in which appropriations for my office have been expended and showing the balances on hand, is true and correct.

HARDEN BENNION.

Subscribed and sworn to before me this 25th day of January, 1919.

(Seal.)

EMMA E. LINDSEY,  
Notary Public.



### REPORT OF STATE BOARD OF CANVASSERS.

In compliance with the provisions of the law, an election was held on Tuesday, November 5th, 1918, for Justices of the Supreme Court, Representatives in the Sixty-sixth Congress, for adoption or rejection of proposed Amendments to the State Constitution, as also for District Judges, Members of the Legislature and County Officers.

Returns from Districts embracing more than one county were made to this Department and duly canvassed, the result being shown by the following table of votes.

DANIEL O. LARSON.

JOSEPH RIRIE.

DAN B. SHIELDS.

HARDEN BENNION,

Secretary.



San Juan . . . . .	256	262	259	196	200	196	15	304	29	314	18	303	28
Sanpete . . . . .	1,990	2,139	2,129	2,162	2,030	2,029	15	2,906	283	2,732	269	2,682	334
Servier . . . . .	1,342	1,330	1,331	1,171	1,191	1,187	9	1,649	202	1,590	163	1,562	231
Summit . . . . .	935	941	945	940	948	946	23	693	383	578	370	542	594
Tooele . . . . .	924	902	927	808	842	818	38	562	450	428	447	314	664
Uintah . . . . .	764	743	734	561	588	598	20	806	107	757	62	849	75
Utah . . . . .	4,682	4,634	4,619	3,217	3,295	3,307	51	4,208	1,152	3,746	1,108	3,793	1,389
Wasatch . . . . .	534	521	528	610	620	614	.....	556	124	533	132	563	141
Washington . . . . .	869	857	862	436	449	444	3	934	36	859	45	894	63
Wayne . . . . .	274	272	278	202	203	199	1	236	39	209	42	162	74
Weber . . . . .	4,299	4,822	4,265	3,679	3,233	3,717	122	3,397	1,354	3,042	1,125	2,558	1,544
Total . . . . .	47,820	47,654	47,025	37,733	38,063	38,584	1,128	42,691	15,780	38,669	13,880	35,337	21,436

COUNTIES	REPRESENTATIVES IN SIXTY-SIXTH CONGRESS.						DISTRICT JUDGES.				STATE SENATORS.			
	MILTON H. WELING 1st District	WILLIAM H. WATKINS 1st District	DANIEL N. KEEF 1st District	JAMES H. MAVS 2nd District	WILLIAM SPRY 2nd District	A. H. KEMPTON 2nd District	JOHN F. TOBIN 3rd District	WILLIAM H. POLLAND 3rd District	DAVID H. MORRIS 5th District	LAWRENCE A. MINER 5th District	URIAH JONES 11th District	O. F. McSHANE 11th District	WILLIAM T. LAMPH 12th District	DON B. COLTON 12th District
Beaver	719	596	11	.....	.....	.....	.....	.....	727	586	605	708	.....	.....
Box Elder	2,202	1,347	1	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Cache	3,671	2,495	30	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,154	1,018
Carbon	1,128	1,052	31	.....	.....	.....	.....	.....	.....	.....	.....	.....	37	62
Daggett	40	56	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Davis	.....	.....	.....	1,440	939	3	.....	.....	.....	.....	.....	.....	.....	.....
Duchesne	805	541	16	.....	.....	.....	.....	.....	.....	.....	.....	.....	853	705
Emery	919	644	10	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Garfield	348	294	2	.....	.....	.....	.....	.....	.....	.....	.....	.....	258	171
Grand	267	164	7	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Iron	596	558	6	.....	.....	.....	.....	.....	600	539	621	570	.....	.....
Juab	1,112	791	24	.....	.....	.....	.....	.....	1,079	817	.....	.....	.....	.....
Kane	207	247	2	.....	.....	.....	.....	.....	.....	.....	179	270	.....	.....
Millard	1,041	908	6	.....	.....	.....	.....	.....	1,021	921	.....	.....	.....	.....
Morgan	325	357	1	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Plute	275	249	3	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Rich	278	251	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Salt Lake	.....	.....	.....	16,535	11,489	629	15,881	12,023	.....	.....	.....	.....	.....	.....
San Juan	271	189	14	.....	.....	.....	.....	.....	.....	.....	.....	.....	244	215

COUNTIES



## REPORT OF STATE BOARD OF EXAMINERS

The Board has held its regular meetings on the first and third Mondays of each month as required by law, and many special meetings. It has carefully examined and considered the many accounts and claims against the State; but notwithstanding such care, and due to some extent to the very general increase in the cost of supplies, transportation and service, but more particularly because of inadequate appropriation by the 1917 Legislature, it has been necessary to authorize the following deficits:

State Board of Insanity.....	\$10,000.00
Industrial Commission .....	40,000.00
Bank Commissioner .....	2,500.00
Pub. Del. Corp. License Tax.....	1,220.00
Utah Agricultural College.....	27,325.99
State Live Stock Board.....	18,250.00
Utah State Fair Association.....	20,000.00
State Board of Land Commissioners.....	15,000.00
Juvenile Court Commission.....	18,000.00
Capitol Maintenance .....	30,000.00
State Board of Corrections.....	24,142.26

No doubt each of the above departments will make its individual report, so we will not go further into detail, except to say that in our opinion a thorough examination of the expenditures made by these departments and the services rendered will justify the outlay and make plain the necessity for provision for their future needs. In the handling of this great volume of business, and in the consideration of the financial requirements and reports of the various State Departments, we find very unsatisfactory conditions in connection with

### The State's Fiscal Year.

With the advent of Statehood we had a fiscal year that closed with the calendar year, the official year, and all three with the appropriation or budget year. Without doubt there are good reasons for the changes that have been made in the governing statutes, but it seems that there are many advantages in the original plan and that objections to it may be overcome.

No doubt the change of the fiscal year to November 30th was made for the purpose of giving opportunity for depart-



ment heads to prepare their reports in time to give the Executive an opportunity to make use of them prior to the meeting of the Legislature, also, to permit retiring officials to complete them before giving up their respective offices. But under this plan no officer can make a complete report of his incumbency. His report must be merged into that of his successor. On the other hand, by making the appropriation or budget year extend from April 1st to March 31st there must always be a mixing up of the department appropriation between two administrations. The change from the calendar year was made in this case so that there would be funds available for use of the several departments after the close of the calendar year and while awaiting legislative appropriations for the current biennium.

We think that both the contingencies here provided for could have been met, the first by the various department heads taking it upon themselves to have their reports and recommendations made up up to the closing point in advance of the last day of the year, thus making it possible to furnish their completed reports in manuscript immediately upon closing the office, such manuscript copy to serve every necessary purpose until printed copies could be provided. The second contingency could be met by a provision in each biennial appropriation bill authorizing the payment of all bills and salaries approved by the State Board of Examiners after the close of the biennium, pending the passage and approval by the Legislature of the appropriation bill for the ensuing biennium. In this way the fiscal year, the official year or term, and the appropriation or budget year would run concurrently with the calendar year, thus making much more consistent and satisfactory all reports, budgets, etc. We urge the necessary amendments.

#### The Indian War Veterans.

The 1917 Legislature appropriated the sum of \$25,000.00 for the benefit of the Indian War Veterans and charged this Board with the distribution of same, but gave no instruction or plan for such distribution. Realizing that their interests could be served in no way better than by expediting the granting of Federal pensions to these worthy people, we immediately secured the services of Mrs. Elizabeth M. Cohen, and, acting as a Commissioner of Indian War Veterans, the work of gathering up muster rolls and other data, communicating with the Pension Bureau at Washington, and meeting its representatives, inves-

tigating the claims of the Veterans to recognition, and in every way possible assisting them in securing compensation for their services, was done as shown by the

# **REPORT OF THE COMMISSIONER OF PENSIONS FOR UTAH TO THE HONORABLE STATE BOARD OF EXAMINERS.**

The pension office was opened by the Board of Examiners on April 28, 1917, and the Commissioner was instructed to do everything possible to aid Veterans of the early Indian wars in Utah in securing Federal pensions under the Act of March 4, 1917.

The only records known at that time were the affidavits compiled by a commission appointed by the Legislature of 1909. For six weeks these were the only records that could be used—they have since been found to be unreliable, and are not accepted by the Bureau of Pensions except as references. At the end of six weeks muster rolls to the number of one hundred and two, pertaining to the Black Hawk War of 1865, 1866 and 1867, were found in various files that had not been opened for a number of years.

During the first four months between eight hundred and one thousand applications were made out, over seven hundred letters were answered, certified copies of affidavits of service were furnished, and a large amount of notary work done, all of which was absolutely free of charge to all veterans and widows—sometimes correspondents enclosed stamps for reply, which with the franked envelopes furnished by the Pension Bureau materially lessened the bills for postage.

According to the Special Examiner of the Pension Bureau, approximately four thousand Utah claims have been filed with the Bureau. Requests for the military history of nearly three thousand claimants have been received at this office, two thousand of these requests have been answered, necessitating in some cases six to ten letters each.

In September, 1917, the Commissioner of Pensions sent Special Examiner Frank J. Bain to examine the records and muster rolls on file in the archives of the State, and to report the exact condition in which he found them; he was not authorized to suggest any recommendations. As a result of his findings, of a total of one hundred and two muster rolls only five were approved. This office protested against the unfairness of the decision of the Commissioner, and in June, 1918, Special Exam-

iner Henry B. Floyd was sent to Utah for a further investigation of the records, also to interview and take affidavits of claimants and the Utah Commissioner of Pensions. His investigations occupied more than three weeks, and he found the muster rolls practically the same as reported by Mr. Bain.

On his return to Washington he recommended to the Commissioner of Pensions the approval of sixty-nine muster rolls of 1865 and 1867. Two of these rolls show less than thirty days' service, and were not admitted to a pensionable basis. We have on file one or more copies of the military history of every claimant furnished the Pension Bureau. We are also completing a record index which will do away with constant examination of the muster rolls. On account of age and usage these rolls are in a very dilapidated condition.

We cannot too highly commend the co-operation and assistance given us by Senator William H. King. It was through his efforts that for the first time in the history of the Pension Bureau they are furnishing us official notice of every pension granted to Utah Veterans.

During 1918 we assisted a very large number of Veterans and widows in completing all the evidence required by the Pension Bureau in the final adjudication of their claims. We have made out affidavits, sworn in witnesses, secured evidence of all descriptions, including certified copies of marriage and death records, and have written a large number of letters for them.

Of the four thousand claims filed at Washington, a conservative estimate places the number of those whose claims will meet the rigid requirements of the Pension Bureau at one thousand five hundred. Up to date one hundred thirty-eight pensions have been granted by the Commissioner of Pensions. In addition there are more than one hundred and fifty claims in which all the evidence asked for has been filed with the Bureau, and these pensions should also have been granted by this time. But our experience is that the Government is very slow in pension matters.

Since January, 1918, more than \$9,360.00 has come into the State of Utah for pension claims allowed. One of the pensioners, Charles Westover of St. George, a Walker War Veteran of 1853, received \$2,240.00 in back pay as well as his allowance of \$20.00 a month from March 4, 1917. We received a letter of appreciation from his daughter for the service rendered by this department in his case.

In order that all Veterans of Indian War Service in Utah may share in the Federal pensions, three bills have been introduced in the Senate of the United States, two by Senator William H. King and one by Senator Smoot. Any one of these bills, if it becomes a law, will authorize the Pension Bureau to accept all evidence on file in the State archives, and will include the years from 1849 to 1869.

The Pension Bureau expects the co-operation of the State in the adjudication of these claims. Scarcely one-third of the work is completed. It may take more than two years to finish.

I therefore recommend to your Honorable Board that the Legislature be asked to appropriate a sum of money sufficient for the expense of this office for the next two years.

Respectfully submitted,

(Signed) ELIZABETH M. COHEN,

Commissioner of Pensions for Utah, and Custodian of Utah Indian War Records.

Of the \$25,000.00 appropriated for the Indian War Veterans, \$18,810.00 has been paid out in sums of \$10.00 to each of eighteen hundred eighty-one persons proven by duly authenticated muster rolls to be entitled thereto, \$3,211.79 has been expended for salaries and office expenses, and there remains an unexpended balance of \$2,978.21 in the State Treasury. A few properly authenticated claims are still coming in, and there are on file also a number of claims that the Board has not approved because they are not supported by muster rolls, but many of such claims seem to be abundantly justified by other proof of service, and it is our intention to give such claims consideration from the standpoint of equity.

We endorse and approve the recommendation of the Commissioner that this Department be continued, and that the sum of \$3,000.00 be appropriated for office expenses for the ensuing biennium, serving the interests of these citizens.

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#### STATE PRINTING DEPARTMENT.

Immediately after the adjournment of the Legislature of 1917 the Board engaged the services of Mr. E. C. Schmidt to examine the claims of printing establishments for the printing of legislative bills, department reports, etc. It was agreed and understood that Mr. Schmidt should give one-half of his time to

the service of the state, salary being \$125.00 per month, which was later raised to \$150.00 per month.

The following report gives in brief the service rendered and the saving accomplished:

The State Printing and Supply Department was established as a subsidiary to the Board of Examiners in April, 1917. The first work undertaken was the checking of the printing bills of the state legislature and those for the printing of the departmental reports under contracts awarded in the fall of 1916.

Reductions and corrections were made in some of the bills in accordance with the terms of the various contracts as interpreted by the state printing department and sustained by the Board of Examiners. These reductions amounted to almost \$11,000, the detail of the reasons being set forth in a report made to the Board of Examiners under date of November 19, 1917.

Since its inception this department has been endeavoring to bring about a uniformity of contracts between the state and the various printing and supply concerns, the aim being to get work done at the lowest possible price, consistent with quality, and at the same time to protect the printing house from many unfair situations wherein the printer often lost money in his endeavors to meet the desires of department heads at a price which might have previously been quoted.

At no time has a printing contract been awarded to any firm outside of Utah. Bids however were taken from outside firms on the contract for the Compiled Laws of Utah, 1917, one of the principal objects of such action being to demonstrate to those who might have believed that Utah firms were charging an unfair price, that the local quotations were on an equal basis with such out-of-state competition.

In all matters of printing the competitive system has been used. Bids have been taken from at least three responsible firms and the work universally awarded to the lowest bidder. Some of these contracts have gone to Ogden, Kaysville, Provo and other Utah towns in addition to such as have been completed in Salt Lake City. As mentioned previously in this report no printing contract has been awarded to any firm outside of the state.

In some cases where the exact character and extent of the proposed work has not been known, or where for some reason it was a hardship to compel a printing house to fix an estimate, or where the work might be of an extremely urgent nature, the contracts were placed on a basis of cost plus 10 per cent. Such



work was, however, as nearly as possible, divided equally among the various printing companies having facilities for doing the job in question.

The success of a uniform contract and of the competitive system of bidding is possibly best exemplified by the contracts which have been just awarded for legislative printing and departmental reports, this forming a comparative basis between conditions in 1916 and today.

In brief, these printing contracts show a net saving of 22 per cent over the prices paid two years ago without taking into consideration a war time increase of at least 25 per cent in labor and material costs.

Two items contracted for show an increase. These are respectively the taxpayers statements and the amendments. In the former the increase is 25.5 per cent. However, the paper stock specified this year weighs just 5.5 pounds more per ream than that of two years ago and this item alone accounts for more than the increased price. In fact, the increased poundage of paper is 27.5 per cent. In the matter of the assessment rolls the increase in cost is 7 per cent, accountable by the fact that the work was given to a different firm than that which was awarded the session law work. In money these two increases are respectively \$99.00 and \$30.00, a total of \$129.00.

Four items this year show a decrease, these being the session laws, the departmental reports, the house and senate bills and the house and senate minutes and journals. These decreases are respectively 33 per cent, 58 per cent, 34 per cent and 28 per cent. Reduced to money these percentages are estimated to represent respectively \$541.00, \$6,000.00, \$2,025.00 and \$1,087.00, making a grand total of \$10,403.00.

Summarized, these figures mean a net saving of 22 per cent, or approximately \$10,274.00, without considering the normal increase of 25 per cent in two years in the cost of labor and material.

Wherever possible the printing department has acted in an advisory capacity in the revision of forms and methods in order to bring about a more unified system and a more economical plan of operation. This has been the means of effecting several savings of considerable magnitude.

In the matter of office supplies the various stationery houses were asked to submit their best proposition on discounts on a general understanding that one company was to receive all the

business as it originated with the exception of such articles as might be under the exclusive territory control of another company.

The basis of this reasoning was that the State of Utah is one great corporation and as such is entitled to quantity discounts the same as any other big buyer.

Only one stationery house was willing to consider the matter of discounts—the proposition in brief being to give the state the “dozen price” on single items, the “gross price” on dozen lots. After a consultation with the members of the Board of Examiners this arrangement was started. The saving for the past eighteen months averages something over 15 per cent, and already two stationery houses have declared their intention of submitting bids for the supplies next year, a recognition of the merit of the plan which they formerly opposed.

Several plans for the continuation of the State Printing and Supply Department are possible:

First. The creation of a purchasing department by legislative action, the department to buy everything on requisition with a counter-charge to each ordering department. Under this plan the purchasing department should have a sufficient appropriation to go into the open market and buy quantities of known staples, thereby getting the benefit of such quantity purchases in a corresponding lower price.

Second. A change could be made in the state laws which would enable each state department to make a blanket appropriation of a fixed sum to a purchasing account. This could then be used and the appropriating department properly charged as deliveries of supplies are made.

Third. The department could be continued as it has been in the past with only a sufficient appropriation for salaries and operating expenses.

In any event I believe the multigraphing work of all state departments should be under the supervision of the State Printing Department and that work done for various departments should be billed at cost and the funds credited back to the State Printing Department.

Respectfully,

E. C. SCHMIDT,  
Superintendent State Printing.

## UTAH REPORTS.

The last session of the Legislature appropriated the sum of \$750.00 for the purchase of Utah Reports for the years 1917-18, and almost the entire sum has been expended in procuring and distributing, as provided by law, one hundred thirty copies each of Volumes 46, 47, 48 and 49. It was found, however, that the supply of Volumes 1 to 20, inclusive, of these reports, is entirely exhausted, and inasmuch as it is made the duty of the Secretary of State to furnish copies (without limitation) to certain State and County officials, the Board has deemed it necessary to order twenty-five sets of these reports, a total of five hundred volumes, the cost of which will be approximately \$1,000.00. It is suggested, however, on account of the fact that retiring officials sometimes fail to leave such books when vacating the office, that only the volumes of the current biennium be furnished free, all others to be charged for at a price to be fixed by the Board.

Very respectfully,

SIMON BAMBERGER,  
HARDEN BENNION,  
DAN B. SHIELDS,  
State Board of Examiners.



## REPORT OF STATE BOARD OF LOAN COMMISSIONERS

When the present administration took charge of the State's finances on January 1st, 1917, it found the following conditions:

### State Bonds Outstanding.

Series.	Amount.	Rate of Interest.	Date of Maturity.
Issue of 1898.....	\$ 150,000.00	3½%	Sept. 1, 1918
Series No. 6.....	300,000.00	3¼%	July 1, 1920
Road Bonds, Series No. 7..	260,000.00	4 %	July 31, 1931
University Bonds, Series No. 8 .....	300,000.00	4 %	July 31, 1931
Capitol Building Bonds. date of Issue:			
January 1, 1914..	200,000.00	5 %	Jan. 1, 1934
January 1, 1914..	250,000.00	4 %	Jan. 1, 1924
January 1, 1914..	750,000.00	4 %	Jan. 1, 1934
Total .....	\$2,210,000.00		

There was also a floating indebtedness of \$400,000.00 represented by notes of this Board in favor of the State Board of Land Commissioners bearing interest at the rate of five per cent (5%) per annum.

Funds in the treasury, together with tax receipts from the previous year, and collections from other sources, were sufficient to meet the requirements of the several departments until May 3rd, 1917, on which date it became necessary to arrange for additional temporary loans. Such loans were secured from the State Land Board from time to time as required, at the rate of five per cent (5%) per annum until the end of the year, at which time the floating indebtedness of the State amounted to the sum of \$950,000.00, of which \$75,000.00 was borrowed from the National Copper Bank. On December 31st, 1917, we were able to pay \$575,000.00 of this sum, leaving due the sum of \$375,000.00 as a floating debt for general State purposes, which sum was covered on January 1st, 1918, by renewal of a note in favor of the State Land Board. On the same date the Board executed

two additional notes in favor of the State Land Board, one in the sum of \$50,971.18, covering the renewal of a loan previously made for the use of the State Council of Defense, the other in the sum of \$75,267.12, covering fund furnished the State Road Commission pending the issue and sale of State Road Bonds under the provisions of Chapter 32, Laws of Utah, 1917, both of which items are discussed more fully under appropriate headings below:

During the year 1918 conditions have been much the same as in 1917, the necessity for borrowing coming on June 27th. Instead of borrowing from the Land Board, however, temporary loans were secured from the Palmer Bond and Mortgage Company at the rate of  $5\frac{3}{4}\%$ , thus leaving the funds of the Land Board for investment in farm loans and in State Road Bonds. Under this arrangement there has been borrowed the sum of \$450,000.00 for general State purposes, and \$100,000.00 for war emergency purposes, details of which will follow.

Outside of loans for special purposes, the floating debt of the State will be, at the end of the year, \$275,000.00 in addition to such deficits as may have been authorized by the State Board of Examiners. On September 1st, 1918, the State's bonded indebtedness was reduced by the payment in full of the 1898 issue amounting to \$150,000.00.

#### War Emergency Loans.

When our nation entered in the war after the adjournment of our Legislature in 1917, and the State Council of Defense was created in conformity with the national policy, this Board, upon receiving from a number of prominent citizens a written guarantee of payment in the event that the Legislature of 1919 should fail to make provision therefor, and acting under the authority of Section 9 of Article XIII of the Constitution, borrowed from the State Land Board the sum of \$25,000 and placed same at the disposal of the State Council of Defense. A like sum was borrowed from the same source at a later date. The following is a list of the patriotic citizens who gave their good names and credit to the State for these two notes:

## First Note.

J. E. Bamberger	Ernest Bamberger
Heber J. Grant	P. J. Moran
W. R. Wallace	W. W. Riter
L. H. Farnsworth	Edgar S. Hills
W. C. Orem	S. A. Whitney
Anthon H. Lund	W. S. McCornick
Jos. F. Smith	L. B. McCornick
C. W. Nibley	Henry F. McEwan
John C. Cutler	J. C. Lipman
George G. Knox	R. T. Badger
W. W. Armstrong	John T. Bennett
L. Hanchett	S. R. Cutler
W. J. Halloran	Salt Lake Hardware Co.

## Second Note.

Clarence Bamberger	H. G. Whitney
W. W. Armstrong	T. N. Taylor
John Pingree	J. C. Lynch
Wm. R. Wallace	A. N. McKay
E. O. Howard	C. A. Faus
A. W. Whitney	Julian Bamberger
Samuel C. Park	Jos. Decker
H. W. Sturges	Leon Sweet
J. A. Hogle	Edward Rosenbaum
F. C. Richmond	Joy H. Johnson
W. C. Orem	John F. Bennett
Geo. T. Odell	T. W. Boyer
C. E. Groesbeck	

An additional \$25,000.00 was borrowed during 1918 for the same purpose, but without any endorsement, making an aggregate of \$75,000.00 placed in the hands of the State Council of Defense. A full report of the disbursements of this fund will undoubtedly reach you from other sources.

When the second draft call was made in September, 1918, the University of Utah and the Agricultural College were each called upon by the War Department to organize and provide for the training of a detachment of the Student Army Training Corps. To accomplish this work additional buildings were required at both institutions, and knowing that the citizens of

this State would gladly respond to this call, as they had to all others, and knowing also that it would be a wanton waste of money to erect temporary buildings on either campus, the Board decided to again exercise its constitutional authority to borrow money to assist in defending the United States, and accordingly on September 6th borrowed the sum of \$100,000.00 from the Palmer Bond & Mortgage Company for the erection of permanent buildings to be used temporarily for the purposes indicated and eventually for college purposes.

There has therefore been borrowed for war emergency purposes a total of \$175,000.00 for the payment of which appropriation must be made.

#### **Issue and Sale of State Road Bonds.**

Under the provisions of Chapter 32, Laws of Utah, 1917, this Board was required to issue and sell State Road Bonds in the sum of \$2,000,000 for State road purposes. Such bonds were printed bearing date of July 1st, 1917, but owing to the scarcity and high price of labor, the desire of the State Road Commission to avoid interference with the maximum crop production, and because of the restriction of bond sales by the Capital Issues Committee, no extensive campaign of road construction was undertaken, and no bonds were sold other than to State Departments until the close of the war.

All bonds disposed of have been sold at par and accrued interest, the one lot sold since the signing of the armistice having brought slightly more than par, and the sale of which, however, has not been completed. The following is a list of sales made, the proceeds having been placed to the credit of the State Road Commission with the exception of the accrued interest, which has been credited to the Motor Vehicle Registration Fund, as provided by law.

## State of Utah Road Bonds.

Par and accrued interest, payable July 1, 1937, State Treasurer, or National Copper Bank, Salt Lake City, First National Bank, New York.

No.	Each	Issued	Sold	To Whom Sold
1-200	4 $\frac{1}{8}$ %	1,000.	7-1-17	9-8-17 State Board of Loan Comm.
201-210	"	"	"	1-15-18 Utah State Insurance Fund.
211-300	"	"	"	2-25-18 State Board of Loan Comm.
301-310	"	"	"	4-10-18 State Insurance Fund.
311-410	"	"	"	6-15-18 State Board of Loan Comm.
411-500	"	"	"	8-7-18 State Board of Land Comm.
501-600	"	"	"	10-5-18 State Board of Land Comm.
601-700	"	"	"	10-24-18 State Board of Land Comm.
701-720	"	"	"	11-22-18 Industrial Comm. Ins. Fund.
720-726	"	"	"	11-22-18 State Board of Loan Comm.

Leaving now in the hands of the Board \$1,274,000 yet to be disposed of. One hundred thousand dollars has already been set aside from the Motor Vehicle Fund for the redemption of these bonds, and, as shown, above, has been invested in the very bonds it is set aside to redeem.

The State's financial standing is rated high, and our one suggestion for the amendment of the law governing the duties of this Board is prompted by our experience and the State's requirements to meet the emergencies of the late war, and would require that Section 3806, Compiled Laws of Utah, 1917, be so amended as to authorize the borrowing of money for the purposes excepted from the provisions of Section 9, Article XIII, of the Constitution, such loans to be for a longer period, if necessary, than that now authorized by law.

Respectfully submitted,

SIMON BAMBERGER,  
HARDEN BENNION,  
DAN B. SHIELDS,  
State Board of Loan Commissioners.

